

WISCONSIN FUNERAL AND CEMETERY AIDS PROGRAM SUBCOMMITTEE

August 9, 2005

Attendees: Mary Claridge (BFS), Bernadette Connolly (BEM), Christy Duhr (Richland County), Maria Fisher (Brown County), Nancy Foss (BEM), April Heim (Price County), Doug Long (BEM), Mike Poma (Milwaukee County), Scott Riedasch (BEM), Jodi Ross (BEM), Lisa Selner (Brown County), Bob Simmons (Kenosha County), Miguel Torres (Milwaukee County), Jeff Ulanski (BEM)

Introductions

The third meeting of the Wisconsin Funeral and Cemetery Aids Program (WFCAP) ad hoc subcommittee was held on Tuesday, August 9, 2005 at the DHFS State Office Building. The subcommittee meeting was called by Scott Riedasch, co-chair of the subcommittee. As half of the subcommittee participated by teleconference, the meeting began with the members of the subcommittee identifying themselves.

WFCAP Reporting Requirements

An updated version of the WFCAP Reporting Requirements paper had been e-mailed to the members prior to the meeting. The recommendation in the paper is that local agencies will submit only the required WFCAP data to a central contact in DHFS via an Excel spreadsheet. A template will be developed for the next meeting. It was agreed by all members that the recommendation be approved with two modifications. First, the "MA Allowable Category will not be a required data field. During the pilot months it will be decided if other data fields should be added or removed from the template. Second, the requirement will be to have the local agencies submit the spreadsheet electronically as an attachment to an e-mail.

A discussion was then held on the pilot project that will be run this fall. It was agreed that two months data would be collected to test the template and collection process. In this way the template could be modified in advance of the January 1, 2006 start date. Data for August (due the first week in October) and September (due the first week in November) will be used in the pilot. Brown, Kenosha, Milwaukee, and Richland volunteered to be the pilot counties for the project.

An Administrator's Memo will be prepared by the Department for issuance in early December announcing the reporting requirements and the use of the template.

WFCAP Reconciliation Process

An updated version of the WFCAP Reconciliation Process paper had been e-mailed to the members prior to the meeting. The recommendation in the paper is that the Department will reconcile the data reported by the local agencies to CARS on a quarterly basis with an end-of-year final reconciliation. During the pilot project, a threshold will be determined for the quarterly reconciliation. If local agencies report within that threshold for the quarter, no action will be taken. Final reconciliation must equal between CARS and the WFCAP reported data.

Review of February 14, 2005 Changes

The discussion began with the history of how and why the WFCAP changes were made in the February 14, 2005 Operations Memo (05-03). The six areas of change were:

- Clarification of populations – Language in the IM Manual was unclear as to who was and was not eligible for this program. The Department went back to the statutes and identified who was eligible. It is uncertain as to the effect of this change as some groups had been receiving the benefit but were not eligible and others were not receiving the benefit and should have.
- Standardized the claim form – Each county had been using their own claim form/process. By standardizing the claim form, it also standardized the WFCAP policy.
- Reimbursement only given to the provider (funeral director and/or cemetery owner), not the family or executor of the estate. This policy is the same as for all other Medicaid services.
- The WFCAP Manual defined “funeral expenses” and “cemetery expenses” based on who provides the services. This is based on a 1990 Attorney General’s opinion. The expenses are also defined as actual, not estimated expenses.
- Required verification of cash advances – Anecdotal information had indicated that the cash advance was used to get expenses under the \$3500 caps. Cash advance verification is based on the statutory definition found in Chapter 445. Money must exchange hands between the funeral director and other providers of services at the request of the family.
- Required self-declaration of the estate – Both family and the provider must sign-off on the amount available from the estate for the funeral.

It has always been the intent of the Department that these changes would be reviewed after February 2006. A random sample would be drawn and the claims would be reviewed for these six areas.

The discussion began with the counties explaining the issues that have developed with the changes in the cash advance verification requirement. This requirement has slowed down the process of reimbursing the funeral directors. Usually, the amount reported on the "Amount Paid by the Estate" line is \$0. The funeral director may not know this amount and the family may not yet be aware of just what assets are available.

Brown and Milwaukee Counties requested that the local agencies be provided more latitude in going after the estates. They would also like further clarification on what assets must be used for funerals and what assets could/should be used. Mike Poma stated that unless an asset is identified as a burial asset, it is unclear if the local agency has the authority to require the asset be used for the funeral and cemetery expenses.

Bernadette Connolly and Jeff Ulanski both agreed that any assets from the estate are to be used first for the funeral and cemetery expenses. All other debts follow in order of payment. However, the group still expressed a desire to have a more stringent estate verification policy. It was felt that the phrase "available resources of the deceased's estate" is too unclear.

Scott Riedasch will discuss this issue with Kathy Emmerton of the Estate Recovery Program (ERP). At issue is whether or not WFCAP costs should/could be included in estate recovery. If so, then the local agencies could accept the self-declared estate amount and ERP would go after the estate to recover any WFCAP expenses.

There is also a request to review the claim form language on self-declared assets. One option would be to change the language in Section 4 to include examples (trusts, checking accounts, etc.).

The meeting ended with a short discussion on the cash advance policy. The cash advance is viewed by many local agencies as a loophole that is used by the funeral directors to get the cost of the funeral under the \$3500 cap. Money that could be used by the estate to cover burial expenses is used for such items as limos, catered meals, etc.

Issues to consider:

- If the cash advance policy were eliminated, would the funds actually be used toward the funeral costs? That is uncertain.
- If the cash advance policy were eliminated, should the cap limits be raised? This would take a change in the state statutes.

- If the cash advance policy were eliminated and all funeral costs were to be included in the total cost of the funeral, would there be less WFCAP eligible funerals? If so, this would be a cost containment proposal that would not need a statutory change.

Future Meetings

The next meeting of the subcommittee will be Tuesday, August 23, 2005 from 1:00 to 3:00 p.m. The meeting will be held at 1 West Wilson, Madison (DHFS State Office Building) in Room 630. Teleconferencing will be available. The telephone number and pass code will be sent with meeting agenda and handouts.

Topics for the meeting include a report on the August 18, 2005 IMAC meeting where the two issue papers/recommendations were presented, the template and instructions for the pilot counties, and a continuance of the review of the February 14, 2005 changes.